

MEMORANDUM

To: Board of Regents

From: Board Office

Subject: Preliminary FY 2001 General Fund Operating Budget - Iowa Braille and Sight Saving School

Date: June 5, 2000

Recommended Action:

Consider the FY 2001 preliminary general fund operating budget for the Iowa Braille and Sight Saving School in the amount of \$4,910,093.

Executive Summary:

The preliminary FY 2001 general fund operating budget at the Iowa Braille and Sight Saving School (IBSSS) is presented in accordance with the Board's strategic plan. IBSSS will present its final FY 2001 operating and restricted fund budgets to the Board in July.

The School's proposed budget totals \$4.9 million. The FY 2001 state operating appropriations are \$7,358 less than the amounts originally appropriated to the School for FY 2000. In addition to the reduced base operating appropriations, the School will receive a salary appropriation allocation of \$101,855 (which is \$52,268 below the level of funding needed to implement the state salary policy of 4%, excluding health insurance) and \$18,599 for workers' compensation to reflect a change in state funding policy and distribution methodology, but does not represent new funding for the School.

The IBSSS preliminary FY 2001 general fund operating budget, including reallocations of \$385,378 (8.2% of the FY 2000 revised budget), reflects the School's commitment to the strategic plans of the Board and the institution. The reallocations will be concentrated in areas that support the offering of a smaller, more focused nine-month residential program; creating alternative placement options including expanded summer school and short-term placements; and creating parent and professional development programs. The School proposes to use some of the reallocations to offset the operating and salary shortfalls and meet inflationary adjustments.

In its budget, the School emphasizes focusing services to better meet the needs of visually-impaired students in line with its strategic planning goals of quality and access to education, diversity, and finances. IBSSS continues to support educational programs that enable visually impaired and blind youth throughout Iowa to function as independently as possible in all aspects of life by providing appropriate educational opportunities, resources, and support services.

Background:

The Iowa Braille and Sight Saving School provides direct educational services to children and youth in the state of Iowa with visual impairments who require the comprehensive programs provided by the School, whether enrolled as residential students or as part of the outreach program of the School.

IBSSS offers two types of academic programs. The residential program extends the normal school day into the evenings, focusing on daily living skills, recreation, and many other educational activities. The outreach program provides numerous specialized support services to visually impaired and blind students who attend school in their local school districts. The institution is redirecting its emphasis from center-based services to its outreach services.

Development of the IBSSS preliminary budget is based on the Board's and the institution's strategic plans, the Board's FY 2001 appropriation request to the Governor and General Assembly, and actions of the General Assembly and the Governor.

Analysis:

The preliminary FY 2001 general fund operating budget for the Iowa Braille and Sight Saving School is \$4,910,093, a \$180,456 (3.8%) increase over the FY 2000 revised budget.

This preliminary operating budget was developed using the School's strategic planning process and extensive efforts to maximize the use of limited resources, and includes:

- Streamlining the residential program offering which will allow expanded summer school, AEA/LEA family services, as well as staff development training activities;
- Continuing outcomes accreditation process that targets student progress and monitoring implementation of the School Improvement Plan;
- Supporting technology initiatives which are linked to refocusing services initiatives such as adding a second ICN line and 22 new fiber terminations around campus;
- Continuing the cooperative program with the Vinton-Shellsburg Community Schools, wherein students benefit from the opportunity to participate part-time in regular schools;
- Continuing with the center-based team for programmatic reorganization of constructing units around student needs;
- Looking for new ways to out-source services; and
- Changing the contracting procedures for deferred maintenance/building projects positively impacting the number of deferred maintenance projects that can be completed in a given year.

IBSSS' FY 2001 direct state operating appropriations total \$4,671,023, a \$162,909 (3.5%) increase over the revised FY 2000 state appropriations. The FY 2001 operating appropriations include: restoration to the FY 2000 base budget of \$15,000; salary bill allocation of \$101,855; DOE educational excellence of \$27,455; and a workers' compensation allocation of \$18,599.

The IBSSS preliminary budget incorporates the salary increase policies as follows:

- The faculty salary matrix, approved by the Board in May, increases steps by 2.5% with no change to the step or track percentages. Eligible faculty will be provided one step on the salary schedule and will also be provided progression within the faculty matrix for increased levels of education;
- Extra-curricular stipends will be changed from a fixed fee to a percentage of base faculty salary; AER Certification stipends will remain \$900;
- The Professional and Scientific Salary Matrix was increased by approximately 2% at the minimum and 4% at the maximum. P & S staff increases will be based on merit;
- General service employee pay matrices will be increased by 2.6% per the collective bargaining agreement. Eligible general service employees will be provided one step on the new merit system matrices; and
- Institutional officials (excluding the Superintendent) salary increases will be based on merit.

To compensate for the shortfall from state appropriations for state salary policy increases averaging 4%, IBSSS proposes to:


- Use any additional Phase III funding to fund existing supplemental pay activities and/or staff development activities currently funded with general fund monies;
- Redirect general fund orientation and mobility instructors to perform direct service to students in their local communities (this portion of their salaries will be reflected in the School's restricted fund budget);
- Shift allowable expenditures from the general fund to the endowment; and/or
- Postpone or phase in staff changes delineated in the reorganization plan.

Internal reallocations of \$385,378 (8.2% of the FY 2000 revised budget) reflect the substantial reorganization of IBSSS for outreach purposes as approved at the Board's March meeting as well as for additional reallocations to cover salary and operating shortfalls. The Board's five-year program for reallocations require an average of 2% per year. IBSSS' reallocations focus on: offering a smaller, more focused nine-month residential program; creating alternative placement options including expanded summer school and short-term placements; and creating parent and professional development programs to continue to support students in their local placement settings.


The FY 2001 internal reallocations will be used as follows:

- \$75,738 for Education Program Coordinator;
- \$76,411 for State Vision Consultant;
- \$52,446 for Vision Consultant – Daily Living Skills;
- \$62,961 for Vision Consultant – Multiple Disabilities;
- \$22,620 for Family Services Specialist;
- \$20,484 for Summer School Programming Including Orientation to World of Work Program;
- \$22,718 for Paraeducator – Deaf-Blind Intervener; and
- \$52,000 for Building Repair.

The \$68,000 in Phase III Education Excellence funding from the Iowa Department of Education will be used to fund existing supplemental pay for faculty (outcomes accreditation process, systems of intervention training, tuition reimbursement, extra-curricular stipends and AER certifications.) Any excess Phase III funds will be used to support staff development activities. The decrease of \$5,545 in Phase I and II Education Excellence funding is due to the decreased on-campus enrollment over the past few years.



Andrea L. Anania

Approved: 

Frank J. Stork

Iowa Braille and Sight Saving School

FY 2001 Budget Summary

STRATEGIC PLANNING GOAL				ALLOCATION OF NEW REVENUES AND REALLOCATIONS	
Goal #1 Quality & Access to Education	\$3,427,868			Mandatory Cost Increases	\$222,942
Goal #2 Diversity	12,749			Shift of expenditures to the endowment	(14,462)
Goal #3 Finances	<u>469,476</u>			Shift of O&M salaries to restricted fund	(22,479)
Total	\$4,910,093			Decrease in DOE Phase I & II funding	(5,545)
				Strategic Planning Initiatives	<u>385,378</u>
				Total Allocations	\$565,834
SOURCE OF REVENUE				FY 2001 MANDATORY COST INCREASES IN THE GENERAL FUND BUDGET	
	Final FY00 Budget	FY01 Budget	Increase/ Decrease	Compensation (Goal #1)	\$190,160
Appropriations	\$4,508,114	\$4,671,023	\$162,909	Workers Compensation (Goal #3)	18,599
Federal Support	133,400	137,905	4,505	Inflationary (Goal #3)	<u>14,183</u>
Interest	18,862	26,000	7,138		
Reimb. Indirect Costs	21,096	27,000	5,904	Total Mandatory Cost Increases	\$222,942
Sales and Services	48,165	48,165	0		
Other Income	<u>0</u>	<u>0</u>	<u>0</u>		
Total	\$4,729,637	\$4,910,093	\$180,456		
NEW REVENUES & REALLOCATIONS				STRATEGIC PLANNING INITIATIVE INCREASES	
<u>New Revenue</u>				Focusing Services (Goal #1)	
State Appropriations:					
Restoration - FY00 base budget	\$15,000			Summer School/ OWOW Programming	\$ 20,484
Supplemental – Workers Comp.	18,599			Para-educator – Deaf-Blind Intervener	22,718
Salary Bill Allocation	101,855			Education Program Coordinator (I.O.)	75,738
DOE Educational Excellence:				State Vision Consultant (Faculty)	76,411
Phase I & II	(5,545)			Vision Consultant – Multiple Disabilities	62,961
Phase III	<u>33,000</u>			Vision Consultant – Daily Living Skills	52,446
State appropriations		\$162,909		Family Services Specialist	<u>22,620</u>
					\$333,378
Federal Support		4,505			
Interest		7,138			
Reimbursed Indirect Costs		5,904			
Sales and Services		0			
Other Income		<u>0</u>			
Revenue Increases		\$180,456			
Internal Reallocations					
Programmatic Reallocations		<u>\$385,378</u>			
Total		\$565,834			
				Obtain & Maintain Annual Budgets Sufficient to Support Strategic Plan & Initiatives (Goal #3)	
				Building Repair	<u>\$ 52,000</u>
				Subtotal	<u>\$ 52,000</u>
				Total	\$385,378